

# Exhibit A

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October 30, 2018

Geoffrey J. Vitt, Esq.  
Katie Burghardt Kramer, Esq.  
Vitt & Associates, PLC  
P.O. Box 1229  
Norwich, VT 05055

Re: Porter v. Dartmouth-Hitchcock Medical Center, et al.

Dear Mr. Vitt and Ms. Kramer:

I have undertaken an analysis of Dr. Misty Blanchette Porter's lost earnings, due to the loss of her employment with the Dartmouth-Hitchcock Medical Center (DHMC) in June 2017. The loss estimates are set forth in the attached table. A list of assumptions used in deriving my estimates accompany the table.

Dr. Porter's 2017 DHMC income projection is based on the assumption she would continue to be on disability until mid-November, at which time she would return to full time status. Her 2017 full time salary was \$305,539. It is assumed she would receive a 2.5% salary increase commencing in July 2018. It is further assumed she would have been promoted to full professor in 2019 with a 5% increase in her salary. In subsequent years, her salary is projected to increase at an annual rate of 2.5%. The estimate of her lost fringe benefits includes DHMC's contribution to a health insurance policy and a retirement plan.

Out through June 2021, the post-termination projections of Dr. Porter's income are based on her employment with the University of Vermont (UVM) and the University of Vermont Medical Group (UVMMG). Two key assumptions underlying the income projections. The first is she will start receiving a salary of \$260,000 in November 2018. The second key assumption is that she will receive a grant and her salary will go up to \$340,000 in July 2019.

Post-termination income projection beyond June 2021 is based on the assumption Dr. Porter will leave her position at UVM and find employment closer to her home in Norwich, Vermont. The projection of her earnings is based on her obtaining a half-time position at the New London Hospital (NLH) in New London, New Hampshire. Her 2021 half-time salary is assumed to be \$115,000. In addition to her NLH half-time position, it is assumed she would continue to work at UVMMG one day a week for 48 weeks a year at a 2021 per diem rate of \$190 per hour. Both NLH and UVMMG income projections are assumed to increase at an annual rate of 2.5%.

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The annual estimates of Dr. Porter's gross lost earnings are reduced for the income taxes she would be expected to pay on her reduced annual earnings. The annual, after-tax, lost earnings are then adjusted to reflect present values as of December 2018.

Due to the distance between Dr. Porter's home in Norwich and her UVM/UVMMG position in Burlington, she is incurring significant additional employment related costs. She has had to obtain housing in the Burlington area. The estimate of these housing costs include rent, utilities, renters' insurance and heat. Additional, she is having to travel an additional 7,500 miles a year. These extraordinary costs are carried out through June 2021, at which time, I am assuming she would no longer be employed by UVM/UVMMG.

The second to last column in each table presents a moving total of the present values of Dr. Porter's annual, after-tax, lost income. These cumulative present values do not take into account the income taxes that would be assessed on any award. The next to last column in the table presents estimates of the additional sums that would be needed to cover the income tax obligations of receiving a particular settlement. If, for instance, Dr. Porter is to be fully compensated for her after-tax, lost earnings through the year 2033 of \$1,640,020, she will need an additional \$1,382,000 to cover the income taxes on receiving such an award, thus bringing the total settlement award to \$3,022,020.

If you have any questions or if I can be of further assistance, do not hesitate to contact me.

Sincerely,



Robert L. Bancroft, Ph.D.

Projected Lost Earnings for Dr. Misty Blanchette Porter  
 Prepared by: Robert L. Bancroft, Ph.D.  
 October 30, 2018

Post-Termination UV/M Projections										14					15						
Year	Age	Gross Earnings			Fringe Benefits			Total Earnings			Gross Adjusted Lost Earnings			Tax Adjusted Lost Earnings		Extraordinary Employment Crisis		Present Value		Cumulative Present Value	
		Income	Benefits	Total Earnings	Income	Benefits	Total	Earnings	Income	Benefits	Total	Income	Taxes	Lost Earnings	Employment Crisis	Total Loss	Income Tax	Settlement Income Tax	Total Economic Loss		
2017	54	\$180,954	\$21,715	\$202,669	\$180,340	\$3,825	\$184,165	\$18,564	\$185,675	\$154	\$18,350	\$44,279	\$44,279	\$45,339	\$26,929	\$50,700	\$21,000	\$206,168	\$265,868	\$71,700	
2018	55	\$308,358	\$37,123	\$345,481	\$338,354	\$12,452	\$350,806	\$327,751	\$327,000	\$36,207	\$30,598	\$46,246	\$76,845	\$45,339	\$35,000	\$35,000	\$160,000	\$160,000	\$419,868		
2019	56	\$324,826	\$38,978	\$363,805	\$300,000	\$27,000	\$327,000	\$36,805	\$36,805	\$2,332	\$2,825	\$47,171	\$47,171	\$47,664	\$381,336	\$75,736	\$228,000	\$228,000	\$661,863		
2020	57	\$332,947	\$39,954	\$372,900	\$344,250	\$30,983	\$375,233	\$325,252	\$325,252	\$10,718	\$54,331	\$24,057	\$78,588	\$77,367	\$45,703	\$336,000	\$647,336	\$268,000	\$793,703		
2021	58	\$341,270	\$49,231	\$380,502	\$298,397	\$28,856	\$325,252	\$85,249	\$85,249	\$10,718	\$54,331	\$24,057	\$78,588	\$77,367	\$45,703	\$336,000	\$647,336	\$268,000	\$949,098		
2022	59	\$349,802	\$55,947	\$360,750	\$280,151	\$25,214	\$305,365	\$103,385	\$103,385	\$17,413	\$85,972	\$32,395	\$85,972	\$82,395	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$1,123,563	
2023	60	\$358,547	\$80,421	\$348,968	\$273,981	\$24,658	\$298,639	\$120,329	\$120,329	\$21,142	\$99,187	\$32,395	\$99,187	\$92,544	\$32,395	\$92,544	\$32,395	\$32,395	\$32,395	\$1,307,140	
2024	61	\$367,511	\$61,932	\$349,443	\$249,443	\$24,867	\$288,746	\$130,695	\$130,695	\$23,358	\$107,338	\$32,395	\$107,338	\$97,497	\$32,395	\$97,497	\$32,395	\$32,395	\$32,395	\$1,495,998	
2025	62	\$376,699	\$63,480	\$440,179	\$277,471	\$24,972	\$302,443	\$137,736	\$137,736	\$24,807	\$112,939	\$32,395	\$112,939	\$98,858	\$32,395	\$98,858	\$32,395	\$32,395	\$32,395	\$1,685,925	
2026	63	\$388,118	\$65,067	\$451,183	\$282,634	\$25,437	\$308,071	\$143,112	\$143,112	\$25,871	\$117,241	\$32,395	\$117,241	\$100,827	\$32,395	\$100,827	\$32,395	\$32,395	\$32,395	\$1,877,276	
2027	64	\$395,769	\$68,654	\$462,463	\$288,791	\$25,991	\$314,782	\$147,680	\$147,680	\$26,744	\$120,936	\$32,395	\$120,936	\$101,351	\$32,395	\$101,351	\$32,395	\$32,395	\$32,395	\$2,068,728	
2028	65	\$405,663	\$68,361	\$474,024	\$295,545	\$26,599	\$322,144	\$151,880	\$151,880	\$27,530	\$124,350	\$32,395	\$124,350	\$101,453	\$32,395	\$101,453	\$32,395	\$32,395	\$32,395	\$2,260,123	
2029	66	\$415,805	\$70,070	\$485,815	\$302,885	\$27,243	\$328,938	\$155,937	\$155,937	\$28,277	\$127,660	\$32,395	\$127,660	\$101,395	\$32,395	\$101,395	\$32,395	\$32,395	\$32,395	\$2,451,380	
2030	67	\$426,200	\$71,822	\$498,022	\$310,140	\$27,913	\$338,053	\$159,965	\$159,965	\$29,015	\$130,954	\$32,395	\$130,954	\$101,257	\$32,395	\$101,257	\$32,395	\$32,395	\$32,395	\$1,144,000	
2031	68	\$436,855	\$73,617	\$510,472	\$317,851	\$28,605	\$346,438	\$164,037	\$164,037	\$29,756	\$134,281	\$32,395	\$134,281	\$101,080	\$32,395	\$101,080	\$32,395	\$32,395	\$32,395	\$1,203,000	
2032	69	\$447,776	\$75,458	\$523,254	\$325,745	\$29,317	\$355,062	\$168,173	\$168,173	\$30,508	\$137,665	\$32,395	\$137,665	\$100,883	\$32,395	\$100,883	\$32,395	\$32,395	\$32,395	\$1,263,000	
2033	70	\$451,971	\$77,344	\$536,355	\$333,872	\$30,048	\$363,920	\$172,395	\$172,395	\$31,275	\$141,120	\$32,395	\$141,120	\$100,677	\$32,395	\$100,677	\$32,395	\$32,395	\$32,395	\$1,382,000	

<sup>A</sup> Partial year (June 4 through Dec. 31).  
<sup>#</sup> Partial year (June 4 through Dec. 31).

The year 2029 (underlined) is consistent with the workflow of a 55 year old female with a graduate degree..

## ASSUMPTIONS

Projected Lost Earnings for Dr. Misty Blanchette Porter  
October 30, 2018

### Footnote

- 1 The projection of Dr. Porter's 2017 Dartmouth-Hitchcock Medical Center (DHMC) income is composed of her actual DHMC income, an additional \$68,000 of disability income and one and half months at her full time salary of \$305,539. In July 2018, it is assumed her salary would increase by 2.5%. The 2019 projection is based on the assumption she would be promoted to a full professor and receive a 5% salary increase. In subsequent years, it is assumed she would receive annual wage increases of 2.5%.
- 2 Dr. Porter's fringe benefits, given her continued employment with DHMC, include the medical center's contribution to health insurance and a retirement plan. The value of DHMC's medical insurance contribution is assumed to be \$15,000 in 2017. The value of this contribution is assumed to increase at an annual rate of 2.5%. DHMC's retirement plan contributions is assumed to be 12% of her earned income. The value of DHMC's health insurance contributions is excluded from June 3, 2017 through June 30, 2021 period, as it is assumed Dr. Porter will receive comparable coverage through UVM.
- 3 The addition of DHMC's gross income and fringe benefits.
- 4 Dr. Porter's actual earned income is reported for the year 2017. The projection of her January 1, 2018 through October 31, 2018 income is based on her University of Vermont (UVM) and the University of Vermont Medical Group (UVMMG) earnings through September 15, 2018. Her income for the last month and a half of 2018 is based on an annual salary of \$260,000. A \$260,000 annual salary is assumed for the first six months of 2019. Beginning in July 2019, it is assumed Dr. Porter will receive a grant and begin receiving an annual salary of \$340,000. This income is projected to increase at an annual rate of 2.5% in each following July. Beginning in July 2021, it is assumed Dr. Porter will leave her position at UVM and find employment closer to her home in Norwich, Vermont. The projection of her earnings is based on the assumption she will obtain a half time position at the New London Hospital (NLH) in New London, New Hampshire. Her 2021 half time salary is assumed to be \$115,000. In addition to her NLH half time position, it is assumed she would continue to work at UVMMG one day a week for 48 weeks a year at a 2021 per diem rate of \$190 per hour. Both NLH and UVMMG income projections are assumed to increase at an annual rate of 2.5%.
- 5 UVM/UVMMG's contributions to a retirement plan (9%) is the only employer provided post-termination fringe benefit valued. UVM's contribute to Dr. Porter health insurance policy is excluded as it is comparable to DHMC's contribution, which is excluded from DHMC fringe benefit calculations during the time Dr. Porter is assumed to work at UVM (see footnote 2).
- 6 The addition of post-termination gross income and fringe benefits.
- 7 The difference between DHMC and post-termination projections of total earnings.
- 8 Estimated income taxes (federal and state) Dr. Porter would have had to pay on the difference between DHMC and post-termination projections of total earnings.

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- 9 Gross lost earnings less income taxes.
- 10 Due the distance between Dr. Porter's home in Norwich, Vermont and her UVM position in Burlington, there are additional employment related costs. These *extraordinary* employment costs are estimated to equal \$44,450 a year in 2017 dollars. This figure includes annual housing rental costs of \$36,000, \$1,800 for utilities, \$600 for renters' insurance, \$2,000 for heat and 7,500 miles of travel at \$0.53 a mile in 2017. Her annual costs are projected to increase at an annual rate of 2%.
- 11 The addition of tax adjusted lost earnings and extraordinary employment costs.
- 12 A simple interest rate of 12% is used to compute interest on the historical earnings losses (2017 & 2018). A discount rate of 2.72% (10 year, tax-free, AAA, municipal bonds, October 30, 2018, Bloomberg web site) is used to derive the present value of future income streams. A December 2018 settlement is assumed.
- 13 A running total of annual present values from previous column.
- 14 Additional amount needed to pay income taxes on an award sufficient to insure an after-tax settlement, in each year, consistent with amount specified in prior column. The estimated state and federal income tax is based on current tax laws.
- 15 Addition of the cumulative present value and settlement income tax columns.